



General Assembly

January Session, 2007

***Raised Bill No. 7338***

LCO No. 4816

\*04816\_\_\_\_\_APP\*

Referred to Committee on Appropriations

Introduced by:  
(APP)

***AN ACT CONCERNING THE IMPLEMENTATION OF GENERALLY  
ACCEPTED ACCOUNTING PRINCIPLES (GAAP).***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 3-115b of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) Effective with the fiscal year commencing July 1, 2007, the  
4 Comptroller is authorized to implement the use of generally accepted  
5 accounting principles, as prescribed by the [Government Accounting  
6 Standards Board] Comptroller, with respect to the preparation and  
7 maintenance of the annual financial statements of the state, and the  
8 Office of Policy and Management is authorized to implement the use  
9 of generally accepted accounting principles, as prescribed by the  
10 [Government Accounting Standards Board] Comptroller, with respect  
11 to the preparation of the annual budget of the state.

12 (b) To implement such accounting principles, the Comptroller and  
13 the Secretary of the Office of Policy and Management shall  
14 concurrently prepare conversion plans for the respective  
15 implementations pursuant to subsection (a) of this section. The

16 conversion plans shall be submitted to the joint standing committee of  
17 the General Assembly having cognizance of matters relating to  
18 appropriations and the budgets of state agencies not later than  
19 [February 1, 2007] June 30, 2007.

20 (c) The Comptroller shall establish an opening combined balance  
21 sheet for all appropriated funds as of July 1, 2007, on the basis of  
22 generally accepted accounting principles. The accrued and unpaid  
23 expenses and liabilities and other adjustments for the purposes of  
24 generally accepted accounting principles, as of June 30, 2007, shall be  
25 aggregated and set up as a deferred charge on the combined balance  
26 sheet, [and such deferred charge shall be amortized in equal  
27 increments in each annual budget commencing with the fiscal year  
28 ending June 30, 2009, and for the succeeding fourteen fiscal years.]

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>from passage</i>	3-115b
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***Statement of Purpose:***

To allow the Comptroller to define GAAP accounting standards and enable the state to freeze the GAAP deficit at its current level and initiate GAAP accounting moving forward. Requested by the State Comptroller.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*